

STATE OF SOUTH CAROLINA

South Carolina Electric & Gas Company – Request for  
Approval of Demand Side Management Plan Including a  
Demand Side Management Rate Rider and Portfolio of  
Energy Efficiency Programs

BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2009 - 261 - E

(Please type or print)

Submitted by: K. Chad Burgess

SC Bar Number: 69456

Address: SCANA Corp.  
1426 Main Street MC 130  
Columbia, SC 29201

Telephone: 803-217-8141

Fax: 803-217-7931

Other: \_\_\_\_\_

Email: chad.burgess@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition      ☐ Request for item to be placed on Commission's Agenda expeditiously
- ☐ Other: \_\_\_\_\_

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input checked="" type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		



July 28, 2009

K. Chad Burgess  
Senior Counsel

chad.burgess@scana.com

**VIA HAND DELIVERY**

The Honorable Charles Terreni  
Chief Clerk/Administrator  
**South Carolina Public Service Commission**  
101 Executive Center Drive (29210)  
Post Office Drawer 11649  
Columbia, South Carolina 29211

RECEIVED  
JUL 29 PM 10:21  
SOUTH CAROLINA  
PUBLIC SERVICE  
COMMISSION

RE: South Carolina Electric & Gas Company – Request for Approval of  
Demand Side Management Plan including a Demand Side Management  
Rate Rider and Portfolio of Energy Efficiency Programs  
Docket No. 2009-261-E

Dear Mr. Terreni:

Pursuant to a letter dated July 9, 2009, from the Docketing Department of the Public Service Commission of South Carolina transmitting the Notice of Filing and Hearing (“Notice”) in the above-referenced matter, please find enclosed for filing affidavits and tearsheets from the newspapers of general circulation in the affected areas as proof of publication of the required Notice.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/kms  
Enclosures

cc: Shannon Bowyer Hudson, Esquire  
Scott Elliott, Esquire  
Damon Xenopoulos, Esquire  
Joey R. Floyd, Esquire  
E. Wade Mullins III, Esquire  
Frank Knapp, Jr.  
(all via first class mail w/enclosures)

**BATE RIDER AND PORTFOLIO OF ENERGY EFFICIENCY PROGRAMS**

On June 30, 2009, South Carolina Electric & Gas Company ("SCE&G" or "Company") filed a request with the Public Service Commission of South Carolina ("Commission") for approval of a proposed suite of potential demand reduction and energy efficiency programs ("Demand Side Management Programs" or "DSM Programs"). SCE&G has requested the establishment of an annual rider to allow SCE&G to recover the costs associated with the proposed DSM programs, the lost net margin revenue associated with its DSM programs along with an appropriate incentive for investing in such programs.

This request was filed pursuant to S.C. Code Ann. § 58-37-20 (1976, as amended), Commission Regulations 103-819, 103-823 (1976, as amended), and in compliance with Commission Order No. 2009-104(A) entered in Docket No. 2008-196-E.

S.C. Code Ann. § 58-37-20 authorizes the Commission to adopt procedures that encourage electrical utilities to invest in cost-effective energy efficient technologies and energy conservation programs and, if adopted, to provide incentives and cost recovery for those utilities who invest in cost-effective, and environmentally acceptable programs to reduce energy consumption or demand. This statute allows energy suppliers and distributors to recover costs and obtain a reasonable rate of return on their investment in qualified DSM programs sufficient to make these programs at least as financially attractive as construction of new generating facilities and directs the Commission to establish rates and charges that ensure that the net income of an electrical utility after implementation of measures is at least as high as the net income would have been if the measures had not been implemented.

The suite of DSM programs proposed by SCE&G includes programs targeting residential as well as commercial and industrial electric customers and represents a suite of programs that the Company believes to be reason-

programs. SCE&G's proposed DSM rider will allow SCE&G to recover the lost net margin revenue and program costs incurred in implementing DSM programs; (2) an incentive return of three percentage points in addition to SCE&G's currently approved return on equity as applied to the monthly balance of unrecovered DSM expenses; and (3) SCE&G's lost net margin revenue reflecting the projected reduction in demand charges and, moreover, hour ("MWH") savings are calculated to occur as a result of customer participation in each DSM program.

SCE&G requests that the proposed DSM rider be made effective May 1, 2010 and subject to review and adjustment annually thereafter based upon an annual review period of December 1st through November 30th. SCE&G proposes filing the rates and revenue requirements to be recovered under the rider during the period May 1, 2010 through November 30, 2010 on or before January 31, 2010. A copy of the Company's Request may be obtained from the Commission at the address below. Additionally, the Request is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov) and is available from the corporate office of South Carolina Electric & Gas Company at 1426 Main Street, Columbia, South Carolina, 29201.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business

Park, 101 Executive Center Dr., Columbia, S.C. on Thursday, October 1, 2009 at 2:30 p.m. Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before August 6, 2009, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. Please refer to Docket No. 2009-261-E.

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below: the South Carolina Office of Regulatory Staff, 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and K. Chad Burgess, Assistant General Counsel, South Carolina Electric & Gas Company, 1426 Main Street, Mail Code 130, Columbia, South Carolina 29201, on or before August 6, 2009, and indicate the amount of time required for his presentation. Please refer to Docket No. 2009-261-E.

Any person who wishes to be notified of the hearing, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department, in writing, at the address below on or before August 6, 2009. Please refer to Docket No. 2009-261-E. PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part

of the official record of the proceeding MUST present such comments, in person, to the Commission during the hearing. Persons seeking information about the Commission's Rules of Practice and Procedure should contact the Commission in Columbia at 803-896-5100.

Public Service  
Commission of  
South Carolina  
Attn: Docketing  
Department  
Post Office Drawer  
11649  
Columbia, SC 29211  
9759

rian Nalepa, Adv...  
es oath that the ar...

PUBLIC SERVICE COM-  
MISSION OF SOUTH  
CAROLINA  
DOCKETING  
DEPARTMENT

**NOTICE OF  
FILING AND  
HEARING**

DOCKET NO.  
2009-261-E  
SOUTH CAROLINA  
ELECTRIC & GAS COM-  
PANY - REQUEST FOR  
APPROVAL OF  
DEMAND SIDE MAN-  
AGEMENT PLAN  
INCLUDING A DEMAND  
SIDE MANAGEMENT

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implementation and cus-  
tomer receptivity stand-  
point, to be technically  
and economically justifi-  
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tomers and the system.  
As part of its proposed  
suite of DSM programs,  
SCE&G has proposed  
allowing qualifying large  
commercial and industrial  
customers to "opt-out"  
of the DSM rider if those  
qualifying customers cer-  
tify annually to SCE&G  
that they are implement-  
ing measures that are at  
least equivalent in energy  
and demand savings  
to those anticipated  
under the SCE&G's DSM

I, Docket  
for approval of

published in

2009-07-16 27

*B. Thur*

bed and sworn to before me

lay July 17, 2009

*Karen L. Book*

Notary Public

My commission expires  
September 25, 2016

"Errors- the liability of the publisher on account of errors in  
or omissions from any advertisement will in no way exceed  
the amount of the charge for the space occupied by the item in  
error, and then only for the first incorrect insertion."



# Aiken Standard

Aiken, South Carolina 29801

STATE OF SOUTH CAROLINA

COUNTY OF AIKEN

Personally appeared before me

APRIL HAMMOND

of the Aiken Standard, a seven day

per week newspaper published in

Aiken, South Carolina, and made

oath in due form of law that the

Advertisement of

SCANA MARKETING & ADVERTISING

appeared in the Aiken Standard on

the following dates, vis:

07/13/2009



SWORN and subscribed to before me

this 21st day of July, 2009

  
Notary Public  
for the State of South Carolina

MY COMMISSION EXPIRES SEPTEMBER 29, 2016

## PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

### DOCKETING DEPARTMENT

### NOTICE OF FILING AND HEARING

DOCKET NO. 2009261E

#### SOUTH CAROLINA ELECTRIC & GAS COMPANY -- REQUEST FOR APPROVAL OF DEMAND SIDE MANAGEMENT PLAN INCLUDING A DEMAND SIDE MANAGEMENT RATE RIDER AND PORTFOLIO OF ENERGY EFFICIENCY PROGRAMS

On June 30, 2009, South Carolina Electric & Gas Company ("SCE&G" or "Company") filed a request with the Public Service Commission of South Carolina ("Commission") for approval of its proposed suite of potential demand reduction and energy efficiency programs ("Demand Side Management Programs" or "DSM Programs"). SCE&G has requested the establishment of an annual rider to allow SCE&G to recover the costs associated with the proposed DSM programs, the lost net margin revenue associated with its DSM programs along with an appropriate incentive for investing in such programs.

This request was filed pursuant to S.C. Code Ann. § 58-37-20 (1976, as amended), Commission Regulations 103-819, 103-923, (1976, as amended), and in compliance with Commission Order No. 2009-104(A) entered in Docket No. 2008-195-E.

S.C. Code Ann. § 58-37-20 authorizes the Commission to adopt procedures that encourage electrical utilities to invest in cost-effective energy efficient technologies and energy conservation programs and, if adopted, to provide incentives and cost recovery for those utilities who invest in cost-effective, and environmentally acceptable programs to reduce energy consumption or demand. This statute allows energy suppliers and distributors to recover costs and obtain a reasonable rate of return on their investment in qualified DSM programs sufficient to make these programs at least as financially attractive as construction of new generating facilities and directs the Commission to establish rates and charges that ensure that the net income of an electrical utility after implementation of measures is at least as high as the net income would have been if the measures had not been implemented.

The suite of DSM programs proposed by SCE&G includes programs targeting residential as well as commercial and industrial electric customers and represents a suite of programs that the Company believes to be reasonably practical from an implementation and customer receptivity standpoint, to be technically and economically justified, and to have a reasonable likelihood of providing savings to customers and the system.

As part of its proposed suite of DSM programs, SCE&G has proposed allowing qualifying large commercial and industrial customers to "opt-out" of the DSM rider if these qualifying customers notify SCE&G that they are implementing measures that are at least equivalent in energy and demand savings to those anticipated under the SCE&G's DSM programs.

SCE&G's proposed DSM rider will allow SCE&G to recover: (1) all reasonable and prudent costs incurred in adopting and implementing DSM programs; (2) an incentive return of those programs as a partial addition to SCE&G's currently approved return on equity as applied to the monthly balance of uncollected bills and charges; and (3) SCE&G's lost net margin revenue resulting from the projected reduction in demand charges and megawatt hour (MWh) sales that are calculated to occur as a result of customer participation in each DSM program.

SCE&G requests that the proposed DSM rider be made effective May 1, 2010 and subject to review and adjustment annually thereafter based upon an annual review period of December 1st through November 30th. SCE&G proposes filing the rider and revenue requirements to be recovered under the rider during the period May 1, 2010 through November 30, 2010 on or before January 31, 2010.

A copy of the Company's Request for Approval is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov) and is available from the corporate office of South Carolina Electric & Gas Company at 1425 Main Street, Columbia, South Carolina, 29201.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, S.C. on Thursday, October 1, 2009 at 2:30 p.m.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before August 6, 2009, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. Please refer to Docket No. 2009-261-E.

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below; the South Carolina Office of Regulatory Staff, 1401 Main Street, Suite 800, Columbia, South Carolina 29201; and K. Chad Burgess, Assistant General Counsel, South Carolina Electric & Gas Company, 1425 Main Street, Mail Code 130, Columbia, South Carolina 29201, on or before August 6, 2009, and indicate the amount of time required for his presentation. Please refer to Docket No. 2009-261-E.

Any person who wishes to be notified of the hearing, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department, in writing, at the address below on or before August 6, 2009. Please refer to Docket No. 2009-261-E.

**PLEASE TAKE NOTICE:** Any person who wishes to have his or her comments considered as part of the official record of the proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Rules of Practice and Procedure should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina  
Attn: Docketing Department  
Post Office Drawer 11649  
Columbia, SC 29211



July 13, 2009



# THE ISLAND PACKET

## The Beaufort Gazette

STATE OF )  
SOUTH CAROLINA ) AFFIDAVIT  
COUNTY OF BEAUFORT )

Personally appeared before me a Notary Public, in and for State and County, aforesaid, Sara Johnson Borton who being duly sworn according to law, deposes and says that she is the Publisher and President of *The Island Packet and The Beaufort Gazette*, newspapers published Sunday through Saturday every week in Beaufort County, SCANA Services, Notice of Filing and Hearing, Docket No. 2009-261-E, was published in the issue(s) of The Island Packet/The Beaufort Gazette on July 13, 2009.

*Sara Johnson Borton*

Sara Johnson Borton,  
Publisher and President  
The Island Packet/The Beaufort Gazette

Subscribed and sworn to before  
me this 13<sup>th</sup> day of July 2009

*Melissa Beere*

Notary Public for South Carolina

My Commission Expires December 28, 2016

PUBLIC SERVICE  
COMMISSION OF  
SOUTH CAROLINA

DOCKETING  
DEPARTMENT

NOTICE OF FILING AND  
HEARING

DOCKET NO. 2009-261-E

South Carolina electric & gas company - Request for Approval of Demand Side Management Plan Including a Demand Side Management Rate Rider and Portfolio of Energy Efficiency Programs

On June 30, 2009, South Carolina Electric & Gas Company ("SCE&G" or "Company") filed a request with the Public Service Commission of South Carolina ("Commission") for approval of a proposed suite of potential demand reduction and energy efficiency programs ("Demand Side Management Programs" or "DSM Programs"). SCE&G has requested the establishment of an annual rider to allow SCE&G to recover the costs associated with the proposed DSM programs, the lost net margin revenue associated with its DSM programs along with an appropriate incentive for investing in such programs.

This request was filed pursuant to S.C. Code Ann. § 58-37-20 (1976, as amended), Commission Regulations 103-819, 103-823 (1976, as amended), and in compliance with Commission Order No. 2009-104(A) entered in Docket No. 2008-196-E.

S.C. Code Ann. § 58-37-20 authorizes the Commission to adopt procedures that encourage electrical utilities to invest in cost-effective energy efficient technologies and energy conservation programs and, if adopted, to provide incentives and cost recovery for those utilities who invest in cost-effective, and environmentally acceptable programs to reduce energy consumption or demand. This statute allows energy suppliers and distributors to recover costs and obtain a reasonable rate of return on their investment in qualified DSM programs sufficient to make these programs at least as financially attractive as construction anticipated under the SCE&G's DSM programs.

SCE&G's proposed DSM rider will allow SCE&G to recover: (1) all reasonable and prudent costs incurred in adopting and implementing DSM programs; (2) an incentive return of three percentage points in addition to SCE&G's currently approved return on equity as

applied to the monthly balance of unrecovered DSM expenses; and (3) SCE&G's lost net margin revenue reflecting the projected reduction in demand charges and megawatt hour ("MWH") sales that are calculated to occur as a result of customer participation in each DSM program.

SCE&G requests that the proposed DSM rider be made effective May 1, 2010 and subject to review and adjustment annually thereafter based upon an annual review period of December 1st through November 30th. SCE&G proposes filing the rates and revenue requirements to be recovered under the rider during the period May 1, 2010 through November 30, 2010 on or before January 31, 2010.

A copy of the Company's Request may be obtained from the Commission at the address below. Additionally, the Request is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov) and 15 Street, Mail Code 130, Columbia, South Carolina 29201, on or before August 6, 2009, and indicate the amount of time required for his presentation. Please refer to Docket No. 2009-261-E.

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Public Service  
Commission of  
South Carolina  
Attn: Docketing  
Department  
Post Office Drawer 11649  
Columbia, SC 29211

RECEIVED  
7/13/09

State of South Carolina  
County of Orangeburg

Personally appeared before me,  
**Barbara Beach**  
**Controller**

of **The Times And Democrat**,  
a division of Lee Publications, Inc.  
A newspaper published at Orangeburg,  
County of Orangeburg,  
State of South Carolina.

Who declares that the attached  
Notice was published in said newspaper  
On the following dates:

July 13 2009

  
SWORN TO AND SUBSCRIBED  
BEFORE ME

July 14 2009

  
NOTARY PUBLIC, S.C.

My commission Expires: February 14, 2015

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF HEARING AND HEARING

DOCKET NO. 2009-261-E

**SOUTH CAROLINA ELECTRIC & GAS COMPANY - REQUEST FOR APPROVAL OF DEMAND SIDE MANAGEMENT PLAN INCLUDING A DEMAND SIDE MANAGEMENT RATE RIDER AND PORTFOLIO OF ENERGY EFFICIENCY PROGRAMS**

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The suite of DSM programs proposed by SCE&G includes programs targeting residential as well as commercial and industrial electric customers and represents a suite of programs that the Company believes to be reasonably practical from an implementation and customer receptivity standpoint, to be technically and economically justified, and to have a reasonable likelihood of providing savings to customers and the system.

As part of its proposed suite of DSM programs, SCE&G has proposed allowing qualifying large commercial and industrial customers to "opt-out" of the DSM rider if those qualifying customers certify to SCE&G that they are implementing measures that are at least equivalent to the projected demand savings to those anticipated under the SCE&G's DSM programs.

SCE&G's proposed DSM rider will allow SCE&G to recover: (1) all reasonable and prudent costs incurred in adopting and implementing DSM programs; (2) an incentive return of three percentage points in addition to SCE&G's currently approved return on equity as applied to the monthly balance of unrecovered DSM expenses; and (3) SCE&G's lost net margin revenue reflecting the projected reduction in demand charges and megawatt hour ("MWH") sales that are calculated to occur as a result of customer participation in each DSM program.

SCE&G requests that the proposed DSM rider be made effective May 1, 2010 and subject to review and adjustment annually thereafter based upon an annual review period of December 1st through November 30th. SCE&G proposes filing the rates and revenue requirements to be recovered under the rider during the period May 1, 2010 through November 30, 2010 on or before January 31, 2010.

A copy of the Company's Request may be obtained from the Commission at the address below. Additionally, the Request is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov) and is available from the corporate office of South Carolina Electric & Gas Company at 1426 Main Street, Columbia, South Carolina, 29201.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 161 Executive Center Dr., Columbia, S.C. on Thursday, October 1, 2009 at 2:00 p.m.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before August 6, 2009, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. Please refer to Docket No. 2009-261-E.

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below; the South Carolina Office of Regulation Staff, 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and K. Chris Burgess, Assistant General Counsel, South Carolina Electric & Gas Company, 1426 Main Street, Mail Code 130, Columbia, South Carolina 29201, on or before August 6, 2009, and indicate the amount of time required for his presentation. Please refer to Docket No. 2009-261-E.

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Persons seeking information about the Commission's Rules of Practice and Procedure should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina  
Attn: Docketing Department  
Post Office Drawer 11648  
Columbia, SC 29211

SC ELECTRIC & GAS CO/SCANA CORP  
MAIL CODE 63 ATTN: Vastine Taylor  
COLUMBIA SC 29218

# AFFIDAVIT OF PUBLICATION

## The Post and Courier

State of South Carolina

County of Charleston

Personally appeared before me the undersigned advertising clerk of the above indicated newspaper published in the city of Charleston, county and state aforesaid, who, being duly sworn, says that the advertisement of

(copy attached)

appeared in the issues of said newspaper on the following day(s):

07/13/09 Mon PC  
07/13/09 Mon CNW

at a cost of \$528.42  
Account# 113764  
Order# 130897  
P.O. Number:

Subscribed and sworn to before  
me this 14<sup>th</sup> day  
of July  
A.D. 2009

NOTARY PUBLIC, SC  
My commission expires

My Commission Expires 10/10/13

RECEIVED

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, before August 6, 2009, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. Please refer to Docket No. 2009-257-E.

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below; the South Carolina Office of Regulatory Staff, 1401 Main Street, Suite 908, Columbia, South Carolina 29201; and K. Chad Burgess, Assistant General Counsel, South Carolina Electric & Gas Company, 1426 Main Street, Mail Code 130, Columbia, South Carolina 29201, on or before August 6, 2009, and indicate the amount of time required for his presentation. Please refer to Docket No. 2009-257-E.

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Public Service Commission of South Carolina  
Attn: Docketing Department  
Post Office Drawer 11649  
Columbia, SC 29211  
AD# 130897

As part of its proposed DSM programs, SCE&G has proposed allowing sustaining large commercial and industrial customers to "opt-out" of the DSM rider if those qualifying customers certify annually to SCE&G that they are implementing measures that are at least equivalent in energy and demand savings to those anticipated under the SCE&G's DSM programs.

SCE&G's proposed DSM rider will allow SCE&G to recover: (1) all reasonable and prudent costs incurred in developing and implementing DSM programs; (2) an incentive return of three percentage points in addition to SCE&G's currently approved return on equity as applied to the monthly balance of unrecovered DSM expenses; and (3) SCE&G's lost net margin revenue reflecting the projected reduction in demand charges and megawatt hours ("MWH") sales that are calculated to occur as a result of customer participation in each DSM program.

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PUBLIC SERVICE  
COMMISSION OF  
SOUTH CAROLINA

DOCKETING  
DEPARTMENT

OFFICE OF  
PLANS AND RECORDS

DOCKET NO.  
2009-257-E

SOUTH CAROLINA ELECTRIC & GAS COMPANY - REQUEST FOR APPROVAL OF DEMAND SIDE MANAGEMENT PLAN INCLUDING A DEMAND RATE RAKE AND PORTFOLIO OF ENERGY EFFICIENCY PROGRAMS

On June 30, 2009, South Carolina Electric & Gas Company ("SCE&G") or "Company" filed a request with the Public Service Commission of South Carolina ("Commission") for approval of a proposed suite of potential demand reduction and energy efficiency programs ("Demand Side Management Programs" or "DSM Programs"). SCE&G has requested the establishment of an annual rider to allow SCE&G to recover the costs associated with the proposed DSM programs, the lost net margin revenue associated with its DSM programs along with an appropriate incentive for investing in such programs.

This request was filed pursuant to S.C. Code Ann. § 58-37-26 (1976, as amended), Commission Regulations 103-819, 103-823 (1976, as amended), and in compliance with Commission Order No. 2009-104(A) entered in Docket No. 2009-196-E.

S.C. Code Ann. § 58-37-20 authorizes the Commission to adopt procedures that encourage electrical utilities to invest in cost-effective energy efficient technologies and energy conservation programs and, if adopted, to provide incentives and cost recovery for those utilities who invest in cost-effective, environmentally acceptable programs to reduce energy consumption or demand. This statute allows energy suppliers and distributors to recover costs and obtain a reasonable rate of return on their investment in qualified DSM programs sufficient to make these programs at least as financially attractive as construction of new generating facilities and directs the Commission to establish rates and charges that ensure that the net income of an electrical utility after implementation of measures is at least as high as the net income would have been if the measures had not been implemented.

The suite of DSM programs proposed by SCE&G includes programs targeting residential as well as commercial and industrial customers and